

Where Your Tax Dollars Go

A Community Budget & Finance Series

Part 1: How the District is Funded

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Purpose of Tonight's Session

- Increase transparency and understanding of school finance
- Explain where district funding comes from
- Clarify common questions and misconceptions
- Provide context for future budget decisions

What to Expect:

- Informative presentation
- Not question & answer style
- There will be an opportunity to take a survey at the end
- Part of the survey will give you the opportunity to ask questions
- Questions asked could possibly be answered in Part 2 of this series, in *Tuesday Talks* or other district wide communications, or even help us develop additional sessions
- Name and contact information is optional, but if provided, your questions will also be answered directly



True or False

“School districts can spend all their money however they want.”

False!

Most funding is restricted by law and must be used for specific purposes.



True or False

“Federal funding makes up the majority of a school district’s budget.”

False!

Federal funding is usually a small percentage compared to state and local funding.



True or False

“Bond funds can only be used for buildings and major capital projects.”

True!

Bond dollars are legally restricted to facilities and infrastructure- not salaries or daily operations

True or False

“The state is legally required to fund 92% of Special Education excess costs.”

True!

“The state actually funds 92% of Special Education excess costs.”

False!

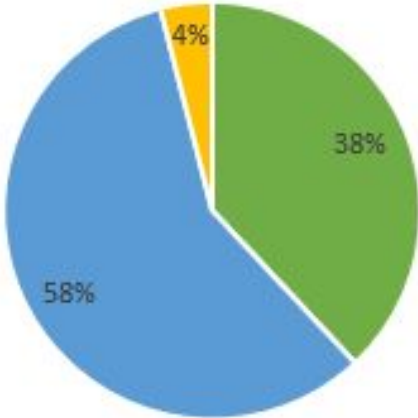
In 2024-2025 they funded about 66% statewide.



How School Funding Works (Big Picture)

- No single funding source pays for everything
- The majority of funding comes from **local, state, and federal** sources
- Each source has different rules and restrictions

Piper USD 203 TOTAL Budget



■ Local ■ State ■ Federal

Wyandotte County Comparisons

District	Local	State	Federal
KCK 500	16%	71%	12%
Turner	16%	75%	9%
Bonner Springs	30%	66%	4%
Piper	38%	58%	4%

Leavenworth County Comparisons

District	Local	State	Federal
Fort Leavenworth	2%	34%	63%
Leavenworth	20%	71%	9%
Lansing	22%	74%	4%
Tonganoxie	32%	65%	3%
Piper	38%	58%	4%
Basehor-Linwood	42%	55%	3%

Johnson County Comparisons

District	Local	State	Federal
Gardner-Edgerton	29%	67%	4%
Spring Hill	35%	63%	2%
DeSoto	35%	61%	3%
Olathe	38%	58%	4%
Piper	38%	58%	4%
Shawnee Mission	40%	55%	5%
Blue Valley	45%	52%	3%



FEDERAL FUNDING

Federal Funding:

- Piper receives ~**\$2.1M** in federal funding (**4%** of the total budget)
- Highly restricted- can only be used for their intended purpose
- Strict compliance rules
- Usually poverty (income) driven
- Designed to support specific student populations
- Cannot replace General Funds- they are meant to supplement

Types of Federal Funding:

School Nutrition Programs

- Piper USD 203 receives approximately **\$620,000** of federal funds for food nutrition programs.
- Funding is through the U.S Department of Agriculture (USDA)
- Must follow federal nutrition and eligibility guidelines
- Reimbursement is based on the number of meals served
- Rates vary based on eligibility (free, reduced, or paid)
- Can only be used for food service operations

Types of Federal Funding:

Title Funding

	Purpose	Amount
Title I Low Income	Supports students from low income household by providing academic interventions & supports	\$272,000
Title II-A Quality Teacher	Supports teacher professional development and focuses on improving instructional quality	\$65,000
Title III English Language Acquisition	Supports English learners and funds language instruction and support services	\$32,000
Title IV-A Student Support & Academic Enrichments	Supports students well-being, safety, and enrichment programs	\$20,000

Types of Federal Funding:

Special Education

Individuals with Disabilities Education Act (IDEA) Title VI-B

- 2025-2026 is the first year receiving these funds
- Piper USD 203 is expected to receive **~\$700,000**
- Can only be used on specialized instruction, related services, or specialized staff and supports

Medicaid Reimbursement

- Piper USD 203 expects to receive **~\$300,000**
- Reimbursement for certain eligible services provided to Medicaid-eligible students
- Services must be documented and invoiced to Medicaid

Types of Federal Funding:

Grants

Carl D Perkins Career and Technical Education Act Grants

- We are the Host District for a CTE consortium made up of Piper, Lansing, Basehor-Linwood (next year Tonganoxie joins)
- Piper USD 203 is expected to receive **~\$73,000**, however we only keep **~\$30,000** of that
- Can only be used on the specific CTE items the grants are written for

Kansas Pre-K Pilot Grant

- Piper USD 203 receives **\$45,000**
- Helps school districts expand high quality preschool programs
- Must go towards a classroom where 50% of the students meet at least one “high-risk” criteria that puts them at risk of entering kindergarten unprepared



STATE FUNDING

State Funding:

- Piper receives ~**\$31M** in state funding (**58%** of the total budget)
- Distributed using a legislatively approved funding formula
- Designed to promote equity between districts
- Based primarily on: student enrollment, student needs (weightings), and district property valuation
- Adjusted annually by Legislature
- Includes both general operating funds and categorical aid

How Kansas State Funding Formula Works (Simplified)

- 1) Enrollment is Counted
 - Official September 20 Count Day
 - Based on Full-Time Equivalent (FTE) students
 - All students grades K-12
 - Pre-K students who qualify for an IEP or free lunch (0.5 FTE)

How Kansas State Funding Formula Works (Simplified)

2) Weighted Enrollment is Calculated

- Additional weightings are added for students with greater needs such as:
 - At-risk students
 - English Language Learners
 - Special Education
 - Transportation needs
 - Career & Technical Education students
 - Cost of Living Adjustment
- The FTE + Weighted Enrollment = **Weighted FTE**

How Kansas State Funding Formula Works (Simplified)

3) Base State Aid is Applied

- The Legislature sets the Base State Aid Per Pupil
- 2025-2026 Base State Aid Per Pupil= \$5,615
- $\text{Weighted FTE} \times \text{Base Aid} = \text{Funding Foundation}$

How Kansas State Funding Formula Works (Simplified)

4) Local Effort is Factored In

- District property valuation is factored in
- A required local property tax of 20.000 mill helps fund the formula
- The state equalizes funding to reduce disparities between districts
- Districts with lower property values receive more equalization aid, districts with higher property values receive less equalization aid

Types of State Funding:

General State Aid

- Core operating funding- supports instruction, staffing, and operations

State Equalization Aid

- Helps districts with lower property values, designed to ensure equitable funding statewide

Special Education State Aid

- State contribution for Special Education (based on staffing, not students)

Transportation Aid

- Helps offset transportation costs, only received for students who live greater than 2.5 miles from their attendance center

Capital Outlay State Aid

- Assists eligible districts with facility related-costs

KPERS Special Retirement Contribution

- Intended to help offset the mandatory expense of employer KPERS contributions



LOCAL FUNDING

Local Funding:

Property Taxes, Student Fees, Gifts/Grants/Donations

- Piper receives about **\$20.5M** in local funding (**38%** of the total budget)
- Tax rates are set through public processes (RNR Hearings, Budget Hearings, voter approval, etc.)
- Not all property tax revenue stays fully flexible
- Some funds are restricted by law or voter approval
- Your taxes are based on your home's **assessed** valuation and the district adopted mill levies

What is the **ASSESSED** Valuation of a home?

Assessed valuation is the portion of a property's value that the government is allowed to tax.

- A home has **appraised value**, also known as the **market value** (this is what the house could sell for)
- The state determines what percentage the property can be taxed at. In Kansas residential property is taxed at **11.5%** The commercial property tax rate is 25%.
- That **taxable** portion is the **assessed value**

Property Taxes:

Simple Assessed Value Example

- Appraised (Market) Value = \$400,000
- State Residential Property Tax Rate = 11.5%
- **Assessed Valuation= \$46,000**

How does this relate to mills?

- 1 mill = \$1 in tax per \$1,000 of assessed value
- **1 mill on our example house = \$46.00**

Five Funds Property Taxes are Collected Locally For:

- *General Fund*
- Supplemental General (LOB- Local Option Budget)
- Capital Outlay
- Cost of Living
- Bonds & Interest

General Fund

- Taxes for the General Fund are collected locally, but go directly to the state
- The state then uses it for state funding of all districts
- Used for day-to-day operational expenses
- It is state law that this mill levy is **20.000 mill**
- The first \$75,000 of your home's **appraised value** is exempt from this levy

General Fund Taxes On Our Example Home

- Appraised (Market) Value = \$400,000
- Exempt from taxes=\$75,000
- Taxable appraised value= \$325,000
- State Residential Property Tax Rate = 11.5%
- **Assessed Valuation for the General Fund= \$37,375**
- 1 mill on our example house for the General Fund= \$37.38

Supplemental General Fund

Local Option Budget (LOB)

- Taxes collected locally and kept local
- It's purpose is to reduce funding gaps in the General Fund
- Used for day-to-day operational expenses
- Piper's Board of Education adopted a resolution in 2020 that sets the Supplemental General Fund at 33% of the General Fund
- Statewide average is 32.3% of the General Fund
- Piper's Supplemental General Fund levy for 2026 is **14.418 mill**

Capital Outlay Fund

- Taxes collected locally and kept local
- The Capital Outlay Fund is **restricted** and can only be spent to maintain and improve district facilities and grounds, infrastructure, and major equipment purchases
- Piper's Board of Education adopted a resolution in 2014 that sets the Capital Outlay Fund mill levy at **8.000 mill**

Cost of Living Adjustment (COLA)

- If a district's average appraised value of a single-family home is at least 15% above the statewide average, they may qualify for a COLA levy
- Piper's is 51% above state average
- As a district's assessed valuation increases, they are expected to rely more on local taxes and less on state equalization aid. A COLA levy helps fill that gap
- The state determines how much can be collected
- Taxes are collected locally, received locally, sent to the state to contribute to the state funding formula, then the districts receives additional FTE weightings
- The COLA mill levy for 2026 is **2.578 mill**

Bonds & Interest

- Taxes that are collected locally kept local
- Taxes collected are used to pay back bonds that have been voted on, and approved, by community votes
- These funds are **restricted** and can only be used to pay on bonds
- The Bond & Interest mill levy for 2026 is **21.528 mill**

Piper USD 203 Tax Breakdown of Our Example Home With an Appraised Value of \$400,000

	Value of 1 Mill	Mill Levy	Taxes Owed
<i>General Fund</i>	\$37.38	20.000	\$747.60
Supplemental General	\$46.00	14.418	\$663.23
Capital Outlay	\$46.00	8.000	\$368.00
Cost of Living Adjustment	\$46.00	2.578	\$118.59
Bond & Interest	\$46.00	21.528	\$990.29
TOTAL			\$2,887.71

Types of Local Funding:

Student Fees

Food Service

- Paid portion of lunches and a la carte items
- Piper USD 203 is expected to receive **~\$550,000**
- Can only be used on food service operations

Enrollment Fees and Course Fees

- Piper USD 203 expects to receive **~\$200,000**
- These can only be used for curriculum resources

Types of Local Funding:

Gifts, Grants, & Donations

- When budgeting, we estimate this revenue high so that if we are able to secure gifts, grants, or donations, we have the legal authority to spend them.
- For 2025-2026 Piper budgeted **\$2M**
- In 2024-2025 Piper received ~\$800,000
- These funds are typically very restricted and can only be used for the specific purpose indicated in the grant

Types of Local Funding:

Gifts, Grants, & Donations

- **Secure The Ship Campaign**- began in July 2024 and has raised \$300,000 in monetary donations in addition to equipment donations to Piper High School Academies
- **Kauffman Foundation Grant**- began our partnership in 2020 and have received \$603,000 to support Real World Learning
- **Carnegie Foundation Grant**- New partnership this year, we will be receiving \$100,000
- **Piper Educational Foundation**- Bi-annual Teacher grants, special projects, partner for continued grant and donation growth

Types of Local Funding:

Gifts, Grants, & Donations

- **Smaller Gifts, Grants, & Donations-** \$75,000 since July 2024
 - Hollywood Casino Mental Health
 - KC STEM Alliance
 - PLTW Computer Science
 - KCKCC Entrepreneurship Initiative
 - KU Center for Reimagining Education
 - Chiefs Flag Football
 - Architectural Woodworking Institute Education Foundation
 - DeBruce Foundation
 - Private Donations

Summary

2025-2026 Estimated Revenues:

Federal	\$2,128,151
State	\$31,237,681
Local	\$20,601,257
TOTAL	\$53,967,089

PART 2 - Understanding How Funds Are Spent

Tuesday, March 10

6:00–7:00 PM

Piper Middle School

This session will cover:

This section shows how the district uses its funds to support students, staff, and schools. It outlines major spending areas, including instruction, staffing, transportation, facilities, and student services. The goal is to provide transparency about budgeting priorities and how financial decisions support teaching, learning, and daily operations across the district.

Feedback & Questions

